
Editorial

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Biographical notes: Ki-Hoon Lee is based at Griffith Business School, Griffith University in Australia. He has interests in all areas of corporate sustainability management, but particularly in, strategic sustainability management, carbon management strategy, sustainable supply chain management, climate change and industrial energy efficiency, sustainability accounting and reporting, and higher education. He is also an international research fellow at Centre for Sustainability Management (CSM), Leuphana University of Lüneburg, Germany.

The focus of this special issue ‘Business case for sustainability: rhetoric or reality?’ is intended to foster discussion not only on strategic and operational business cases for sustainability, but also on new ways of thinking about the complex and contested issues associated with the development of such business cases. Innovative approaches and practices related to business cases for sustainability also form the basis of the discourse that needs to be fostered. For example, during the last decade there has been a major financial crisis that many countries and industries are still trying to manage. In some ways, the level of resources and energy consumption has lessened in many industries due to the financial crisis. Yet, it may also indicate that corporations and industries view many environmental and energy efficiency programmes as costly and a determinant to business sustainability.

However, there is growing consensus among academics and industries that environmental and social issues cannot be separated from economic issues. Accounting for the environmental, economic and social impacts of organisational strategies and actions has been a growing area of practice and research in recent years. Corporate sustainability requires a balanced approach along the triple bottom line – economic, environmental, and social performance, and the business case for sustainability highlights the interaction between environmental and social perspectives and business perspectives. By doing this, it helps to answer the question of how corporate sustainability can be improved by delivering superior environmental and social performance. However, there is still a lack of conceptual framework as well as empirical evidence to examine the business case for sustainability. Without a better understanding of *how* to make decisions about sustainability, managers cannot make timely and appropriately ‘right’ decisions in practice.

Management and researchers can benefit greatly from exposure to the state-of-the-art practices and research in the area of business cases for sustainability. With this special issue, we are seeking to provide a source of information on some of the latest innovative

thinking, practices, research outcomes and issues related to this challenge. In achieving this, we were fortunate to select six high quality papers from academics and researchers in Europe and Australia. These papers range from conceptual and theoretical developments and approaches to practical case studies with insightful development and some broader industry evaluations.

In the first article, Schaltegger et al. (2012) highlight the ways in which a business case for sustainability can be created by addressing business case drivers. In order to create such a business, the authors focus on strategic management as a way of linking voluntary environmental and social activities and corporate economic success. By developing a number of drivers of business cases for sustainability, they address the typology of sustainability strategies ranging from defensive to proactive. They take further steps to portray the interrelationship between business case drivers and the business model by introducing four perspectives of business model (value proposition, customer relationships, business infrastructure, and financial aspects). They also suggest that an integrated framework of sustainability strategy, business case drivers and business model innovation, could help overcome the organisational barriers and hurdles which many firms often face when they identify, analyse, innovate, and implement business models and cases for sustainability.

The second article by Barter and Bebbington (2012) focuses on the embedding of sustainability awareness in corporations through top management's rhetoric and paradigms and, in doing so, highlight a paradigm scheme that was originally developed by Gladwin et al. (1995). They explored top managers' views and the link to specific paradigms-related assumptions using twenty five interviews with twenty three UK companies. They find that top managers lean toward 'sustaincentrism' or 'ecocentrism' in their rhetoric whilst at the same time supporting 'anthropocentrism' in their economic assumptions. They also point out that corporations are facing a clear dilemma between the implications of sustainability-oriented innovation versus viable strategies and economic operations. They argue that developing a greater understanding managers' rhetoric and specific assumptions of sustainability-paradigm schemes could play a significant role in moving companies toward a more sustainable future.

In the third article, Verhulst and Boks (2012) address the importance of internal organisational human factors as a facilitator of sustainability in products design. They examined two factors: resistance to the implementation of sustainability, and internal communication on sustainable product design using eight case studies in Belgium and The Netherlands. They found that changing employees' daily habits should be considered as a means of overcoming the internal resistance against implementing sustainability in product design. They also found that there is a link between the implementation process and certain types of internal communication and suggest that a focus on these two internal factors could help facilitate successful implementation of sustainable product design.

In the fourth article, Linder (2012) addresses the business case for environmental sustainability by seeking value creating environmental strategies. From an institutional perspective, he explores different levels of social dilemmas ranged from informal and formal rules. For a business case for environmental sustainability, he suggests four types of appropriation strategies including eco-lean, eco-branding, eco-lobbyism, and eco-transaction design at different levels of institutional social dilemmas. He highlights

the prerequisites for a business case for environmental sustainability – a business model for the creation and appropriation of value by addressing the problem. In order to achieve these provisos, he also suggests four environmental appropriation strategies for firms to adopt.

Herzig et al. (2012) address sustainability reporting practice of German banking sector during the global financial crisis of 2007/2008 in the fifth article. They highlight the sustainability reporting and communication functions in respect of governance, financial activities and services, other stakeholders and the environment. Using a content analysis, they find four different types of approaches (laggards, leaders, traditionalists, and technophiles) to such sustainability reporting practices. Their research indicates that online-based sustainability reporting and communication practices are, as yet, not fully mobilised, and that different levels of commitment to sustainability result in different types of approaches to engage stakeholders' dialogue. They also suggest that internet-based sustainability reporting and communication may assist in embedding sustainability within banking firms.

Finally, Lee (2012) addresses the linkage between stakeholders and corporate reputation towards corporate sustainability. Since the notion of corporate sustainability is evolving with three broad perspectives of ecological, economic, and social dimensions, he seeks to answer the question of – why firms commit to corporate sustainability, and what factors reinforce such commitments. He asserts that understanding the real challenge in how sustainability is embedded in corporations requires an interdisciplinary approach to bridge stakeholders and corporate reputations for corporate sustainability. He highlights the managerial view of stakeholders in relation to corporate reputation and corporate sustainability. He also suggests that utilising stakeholder communications and PR strategies, as well as developing social marketing and stakeholder relationship, can play a key role in protecting corporate reputation and continuing corporate commitment for corporate sustainability.

Overall, these papers provide a sound introduction to, and exploration of, business case for sustainability. Yet, there are still many topics that should and could be investigated. Each of the papers in this special issue has also identified various extensions to the authors' work and this sets the foundation for a more complete set of investigations into business cases for sustainability. The future direction of 'business case for sustainability' could follow any number of pathways. Some of these might include:

- 1 a stagnation or reduction of attention to the area in a similar way to that which occurred during the financial crisis in 1997/1998 and 2008/2009
- 2 a general continuation of incremental growth in the quality and quantity of business case for sustainability
- 3 a transformative, threshold advancement of interest, expertise, and application in the business case for sustainability.

As a result, we are advocating an increase in innovative, interdisciplinary, business practice-oriented and external communications to help corporations move from incremental to transformative business sustainability. In doing so, we need to prepare and encourage researchers and corporate managers to follow our lead in taking the risks and investing the extra energy that collaboration beyond our comfort zones entails.

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